



Nonappropriated Fund (NAF) Annual and Sick Leave

References: DoD 1400.25-M, DoD Civilian Personnel Manual, Subchapter 1417 (Civilian Assistance and Reemployment (CARE) for NAF Employees Affected by Workforce Reductions); DoD 1400.25-M, Subchapter 1406 (Attendance and Leave)

If you are affected by BRAC and are in an employment category authorized to earn NAF annual and sick leave, you may be eligible for certain leave entitlements.

Normally, the maximum amount of accrued annual leave that may be carried forward from one leave year to another is 240 hours for employees assigned within CONUS. However, if your installation has been designated for realignment or closure, you may be authorized to carry over leave in excess of the maximum authorized amount as long as you continue to work at the BRAC installation in an employment category authorized to earn and accrue leave. (This provision does not apply to employees assigned to positions or functions located at the installation that are designated to continue after closure at the same location.)

If you are very close to your retirement eligibility date, accrued annual leave may be used to remain on the rolls in a pay status beyond your Business Based Action (BBA) separation date in order to reach retirement eligibility. You may also use your accrued annual leave to remain on the rolls in a pay status in order to become eligible to continue DoD NAF Health Benefits Program coverage into retirement.

If you are separated from your NAF position, you will receive a lump sum payment for your unused annual leave. However, if you transfer to a NAF position in a different NAF instrumentality, your annual leave credit may be transferred from the losing to the gaining employer if both employers agree, and you elect a transfer of credit instead of a lump sum payment. You cannot elect to be paid a lump sum annual leave payment if you move to a DoD appropriated fund position with a break in service of 3 days or less; your NAF annual leave balance must transfer to the appropriated fund employment system.

There is no payment for unused sick leave when you separate from a NAF position, but if you return to employment with one of the DoD NAF Components after a separation related to a BBA, your sick leave balance at the time of your BBA separation will be restored. Unlike the extended employment provisions for annual leave described above, your unused sick leave cannot be used to remain on the rolls beyond your BBA separation date in order to reach retirement eligibility or post-retirement medical insurance eligibility. However, your sick leave balance may be added to your period of creditable NAF service for retirement purposes.